

Tokyo Stock Exchange Group, Inc. and Consolidated Subsidiaries

Consolidated financial results for the second quarter of FY2008 (unaudited)

1. Results of operations

(figures less than a million yen are omitted)

	Operating revenues		Operating profit		Ordinary profit	
	Million Yen	%	Million Yen	%	Million Yen	%
Six months ended September 30, 2008	38,494	(-)	10,243	(-)	10,849	(-)
Six months ended September 30, 2007	38,591	(4.4)	16,746	(0.2)	17,372	(1.0)

	Net income		Net income per share
	Million Yen	%	Yen
Six months ended September 30, 2008	5,693	(-)	2,504.18
Six months ended September 30, 2007	10,221	(2.1)	4,495.66

2. Financial position

	Total assets	Net assets	Ratio of equity capital	Net assets per share
	Million Yen	Million Yen	%	Yen
As of September 30, 2008	564,984 (1161,572)	116,377 (299,010)	20.2 (359.9)	50,169.06 (242,530.64)
As of March 31, 2008	717,676 (1149,488)	117,776 (2100,408)	16.1 (365.7)	50,859.77 (243,221.35)

- Figures in parenthesis on "Total assets" are calculated excluding "Margin funds for derivatives and when-issued transactions," "Deposits for clearing fund," "Deposits as collateral for facilitating settlement," "Legal guarantee funds" and "Special assets for default compensation reserve funds" from Total assets.
- Figures in parenthesis on "Net assets" and "Net assets per share" are calculated excluding "Default compensation reserve funds" from Net assets.
- Figures in parenthesis on "Ratio of equity capital" are calculated excluding "Margin funds received for derivatives and when-issued transactions," "Deposits received for clearing fund," "Deposits received as collateral for facilitating settlement" and "Returnable legal guarantee funds" from Liabilities and excluding "Default compensation reserve funds" from Net assets.
- Equity capital:
Six months ended September 30, 2008: ¥114,071 million Year ended March 31, 2008: ¥115,641 million

3. Dividends

(Record date)	Dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2008	-	-	-	2,400.00	2,400.00
Year ended March 31, 2009	-	-			

4. Others

- Material changes in subsidiaries during this period (Changes in scope of consolidations resulting from change in subsidiaries) : None
- Applying of simplified method of accounting and specific accounting of the consolidated quarterly financial statements : None
- Changes in accounting principles, procedures and the presentation of the consolidated quarterly financial statements

The TSE Group and its subsidiaries adopted "Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No. 12)" and "Guidance on Accounting Standard for Quarterly Financial Reporting (ASBJ Guidance No. 14)" from this period. The TSE Group prepared its Quarterly Consolidated Financial Statements in accordance with "Rules for Quarterly Consolidated Financial Reporting".

Change in measurement method of inventories

Inventories for sales were valued using the specific cost method in the previous periods. The TSE Group and its subsidiaries adopted "Accounting Standard for Measurement of Inventories (ASBJ Statement No. 9)" and used lower-of-cost-or-market method from this period. The adoption of this standard has no impact on the consolidated operating results.

Accounting Standard for Lease Transactions

Finance leases which do not transfer titles to lessees were accounted for as operating leases in the previous periods. The TSE Group and its subsidiaries adopted "Accounting Standard for Lease Transactions" and "Guidance on Accounting Standard for Lease Transactions" and these finance leases were accounted for as sales transaction from this period. The depreciation of the leased assets of finance leases which do not transfer titles to lessees is computed using the straight-line method based on the initial lease term with no estimated residual value. The adoption of this standard has no impact on operating result of the company.

(4) Number of issued and outstanding shares(common stock)

Number of issued and outstanding shares at the end of period(including treasury stock):

As of September 30, 2008: 2,300,000 shares As of March 31, 2008: 2,300,000 shares

Number of treasury stock at the end of period:

As of September 30, 2008: 26,260 shares As of March 31, 2008: 26,260 shares

Average number of shares:

As of September 30, 2008: 2,273,740 shares As of September 30, 2007: 2,273,740 shares

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1. Consolidated Balance Sheets as of September 30, 2008

(Millions of Yen)

	As of September 30, 2008	Summary Consolidated Balance Sheet as of March 31, 2008
ASSETS		
CURRENT ASSETS:		
Cash and bank deposits	32,840	36,561
Accounts receivable-trade	5,444	5,853
Marketable securities	11,702	11,805
Inventories	93	3,493
Margin funds for derivatives and when-issued transactions	226,476	280,416
Deposits for clearing funds	128,099	222,630
Deposits as collateral for facilitating settlement	31,112	47,411
Other current assets	21,430	2,065
Allowance for doubtful accounts	9	4
Total current assets	457,191	610,233
FIXED ASSETS :		
Property and equipment		
Net property and equipment	13,837	14,665
Intangible fixed assets		
Total intangible fixed assets	19,262	16,748
Investments and other assets		
Investments in securities	31,274	33,771
Legal guarantee funds	354	361
Special assets for default compensation reserve funds	17,367	17,367
Others	26,050	24,853
Allowance for doubtful accounts	354	326
Total investments and other assets	74,693	76,028
Total fixed assets	107,793	107,442
Total assets	564,984	717,676

(Mi Is. Yen)

	As of September 30,2008	Summary Consolidated Balance Sheet as of March 31, 2008
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable-trade	2,622	3,587
Short-term debt	17,570	19,570
Income taxes payable	4,056	6,239
Accrued bonuses	1,029	1,151
Accrued bonuses for directors	75	266
Margin funds received for derivatives and when-issued transactions	226,476	280,416
Deposits received for clearing funds	131,134	222,630
Deposits received as collateral for facilitating settlement	47,050	47,411
Deposits received as trading participants' guarantee	4,779	4,450
Other current liabilities	3,047	3,267
Total current liabilities	437,842	588,990
NON-CURRENT LIABILITIES:		
Liability for retirement benefits for employees	5,253	5,210
Allowance for loss on real estate rental contract	3,725	3,895
Returnable legal guarantee funds	354	361
Other non-current liabilities	1,430	1,441
Total non-current liabilities	10,764	10,908
Total liabilities	448,606	599,899
EQUITY		
SHAREHOLDERS' EQUITY:		
Common stock	11,500	11,500
Capital surplus	25,358	25,358
Retained earnings	89,099	88,863
Treasury stock, at cost	4,332	4,332
Total shareholders' equity	121,625	121,388
Revaluation and translation adjustments		
Unrealized gain on available-for-sale securities	7,554	5,747
Total revaluation and translation adjustments	7,554	5,747
Minority interest	2,306	2,134
Total equity	116,377	117,776
Total liabilities and equity	564,984	717,676

2. Consolidated Statement of Income for six months ended on September 30, 2008

(Millions of Yen)

	Six months ended on September 30, 2008
OPERATING REVENUES:	
Trading participant fees	15,035
Listing fees	4,117
Income from information services	5,672
Income from securities settlement	6,008
Income from system development & operations	5,831
Other operating income	1,830
Total	38,494
OPERATING EXPENSES:	
Salaries and compensation	6,303
Real estate rental fees	3,272
System maintenance & operation costs	4,540
Depreciation	4,282
System development costs	5,224
Other operating expenses	4,629
Total	28,251
Operating profit	10,243
NON-OPERATING REVENUES:	
Interest and dividends income	273
Rent income	141
Equity in earnings of affiliated companies	301
Other non-operating revenues	161
Total	878
NON-OPERATING EXPENSES:	
Interest expense	63
Rent expense	187
Other non-operating expenses	21
Total	271
Ordinary profit	10,849
EXTRAORDINARY PROFITS:	
Gain from prior period adjustment	316
Other extraordinary profits	71
Total	387
EXTRAORDINARY LOSSES:	
Loss on disposal of property and equipment, and intangible fixed assets	269
Restoration costs	817
Other extraordinary losses	249
Total	1,336
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	9,901
Income taxes-current	4,207
Income taxes-deferred	171
Total	4,035
MINORITY INTERESTS	172
NET INCOME	5,693

3. Consolidated Statements of Cash Flows for six months ended on September 30, 2008

(Millions of Yen)

	Six months ended on September 30, 2008
OPERATING ACTIVITIES:	
Income before income taxes and minority interests	9,901
Depreciation	4,543
Increase (Decrease) in allowance for doubtful accounts	14
Increase (Decrease) in accrued bonuses	122
Increase (Decrease) in accrued bonuses for directors	190
Increase (Decrease) in liability for retirement benefits for employees	43
Increase (Decrease) in allowance for loss on real estate rental contract	170
Interest and dividends income	273
Interest expense	63
Equity in earnings of affiliated companies	301
Loss on disposal of property and equipment and intangible fixed assets	269
(Increase) Decrease in accounts receivable	408
(Increase) Decrease in inventories	3,399
Increase (Decrease) in accounts payable - trade	964
Other-net	431
Sub-total	17,053
Interest and dividends received	322
Interest paid	76
Income taxes paid	6,895
Net cash provided by operating activities	10,403
INVESTING ACTIVITIES:	
Acquisition of fixed deposits	3,900
Proceeds from refund of fixed deposits	4,600
Acquisition of marketable securities	16,276
Proceeds from sales and maturities of marketable securities	16,807
Acquisition of investments in securities	497
Acquisition of property and equipment	720
Acquisition of intangible fixed assets	5,822
Collection of loan receivables	0
Others	247
Net cash used in investing activities	5,561
FINANCING ACTIVITIES:	
Increase in short-term debt	200
Repayment of short-term debt	2,200
Dividends paid	5,456
Net cash used in financing activities	7,456
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	2
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,617
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	35,567
CASH AND CASH EQUIVALENTS, END OF PERIOD	32,950